

ORDINANCE NO 20070517-064

AN ORDINANCE FOR THIRD READING AWARDING A FRANCHISE TO LONE STAR CAB COMPANY TO OPERATE A TAXICAB SERVICE IN THE CITY OF AUSTIN FOR FIVE YEARS, AND WAIVING THE REQUIREMENTS OF SECTION 13-2-309(B) OF THE CITY CODE RELATING TO THE MAXIMUM NUMBER OF PERMITS THAT MAY BE ALLOCATED

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN

PART 1 WAIVER

The city council waives Section 13-2-309(B) (*Granting of Taxicab Franchise Under Certain Circumstances*) of the City Code, which limits the maximum number of permits that may be allocated to a franchise to 50

PART 2 FRANCHISE GRANT

The city council awards a franchise to operate a taxicab business on the streets, alleys, and public ways in the City of Austin to ABCABCO, INC , D/B/A Lone Star Cab Company ("franchise holder") for a five-year period

PART 3 FLEET SIZE

The franchise holder must maintain an active fleet of at least 25 and not more than 55 taxicabs This taxicab allocation may be amended during the course of the franchise

PART 4 FRANCHISE OWNERSHIP INTEREST REQUIREMENTS

- (A) At all times during the franchise period or any periods of extension or renewal of the franchise, the company holding the franchise shall be operated as a cooperative venture in which
- (1) at least 51 percent of the controlling company ownership is held by drivers who drive and own their own taxicabs and drive at least 30 hours per week, and
 - (2) at least 25 percent of the controlling company ownership interest is held by individual drivers who
 - (a) own one taxicab and drive their own taxicab, and
 - (b) drive at least 30 hours per week

- (B) The franchise holder shall submit a report not later than the 30th day after the end of each calendar quarter that documents the persons who hold ownership interests in the company with the appropriate calculations that demonstrate compliance with Subsection (A)

PART 5 COMPUTERIZED DISPATCH SYSTEM

- (A) The franchise holder shall maintain a fully operational Global Information System (GIS) automated computer dispatch system, dispatch service requests in an efficient manner, and correct any GIS dispatch system malfunctions immediately to maintain efficient customer service
- (B) The franchise holder shall submit a report not later than the 30th day after the end of each calendar quarter documenting the system status and any system failures
- (C) In the event of a system failure that exceeds four hours, the franchise holder shall
- (1) notify the Public Works Department not later than the first business day after the system failure, and
 - (2) not later than the fifth business day after a system failure, submit a report documenting the nature and duration of the failure and whether the franchise holder's back-up radio dispatch communication system performed during the system failure

PART 6 COMPLIANCE WITH CITY CODE

The franchise holder shall comply with the provisions of the City Code relating to ground transportation services and all amendments to those provisions during the period of the taxicab franchise, and rules promulgated enforce the code provisions

PART 7 MAINTENANCE OF RECORDS

The franchise holder shall maintain complete records of all dispatched calls, all expenses incurred in connection with the operation of the taxicab service business, and all revenues derived from the taxicab business

PART 8 INSPECTION OF RECORDS

The franchise holder shall permit the Public Works Department to inspect all records of this franchise in accordance with Section 13-2-306(D) (*Recordkeeping Requirements*) of the City Code

PART 9 TAXICAB OWNERSHIP, LEASE, OR CONTROL

The franchise holder shall own, lease, or contract for control of each taxicab used in the taxicab franchise

PART 10 ANNUAL FRANCHISE PERMIT FEE

The franchise holder shall pay an annual franchise permit fee of \$400 for each vehicle authorized in this franchise to the City of Austin at the office of the Director of the Public Works Department. This fee may be amended by the city council during the effective period of the franchise.

PART 11 SUSPENSION

- (A) The city manager may suspend this franchise upon a determination that the franchise holder has
- (1) substantially breached the terms of this franchise,
 - (2) failed to comply with the provisions of the City Code relating to ground transportation services, as amended,
 - (3) become delinquent in the payment of any fees or charges required by law in connection, directly or indirectly, with the operation of the franchise holder's taxicab business,
 - (4) failed to comply with a correction order issued to the franchise holder within the time specified in the order, or
 - (5) intentionally or knowingly impeded the city manager or a law enforcement agency in the performance of their duties.
- (B) If the city manager suspends this franchise, the franchise holder may submit a written request to the city manager requesting reinstatement of the franchise, stating the grounds supporting a reinstatement. After receipt of a request for reinstatement, the city manager shall inspect the suspended franchise holder's operation to determine whether the franchise holder has corrected the deficiency that is the basis of the suspension. The city manager may approve or deny reinstatement after the inspection.
- (C) If the city manager denies reinstatement of the franchise, the franchise holder may file an appeal of the city manager's decision with the city clerk not later than the 14th day after notice of the denial. The city clerk shall place the appeal on the next city council agenda.

PART 12 FORFEITURE

- (A) The franchise is subject to forfeiture if
- (1) the franchise holder is convicted of a violation of a provision of the City Code relating to ground transportation services during the period of the taxicab franchise,
 - (2) it is shown that the taxicab franchise holder has substantially breached the terms of this franchise, or
 - (3) the franchise holder fails to pay an outstanding final judgment against the franchise holder that arises out of circumstances related to ground transportation service
- (B) On receipt of a report from the city manager that probable cause exists for the cancellation and forfeiture of the franchise, the city council shall hold a hearing, after a 30-day notice to the franchise holder, to determine if cause exists to cancel the franchise. If the city council finds at the hearing that cause exists to cancel the franchise, it may cancel the franchise after the hearing.

PART 13 FRANCHISE CONDITIONS

The franchise holder shall, no later than July 7, 2007, provide the following to the Public Works Department

- (A) proof of insurance as required by Section 13-2-34 (*Insurance Required*) of the City Code,
- (B) demonstration of ability to receive calls for service at franchise holder's dispatch facility,
- (C) demonstration of ability to dispatch calls and communicate with franchise holder's taxicabs at franchise holder's dispatch facility, and
- (D) demonstration that each authorized franchise permit is assigned to a vehicle meeting the standards described in Chapter 13-2, Article 3, Division 5 (*Vehicles and Equipment*) of the City Code

PART 14 FRANCHISE ACCEPTANCE

The franchise holder shall file its written acceptance of the terms of this ordinance with the city clerk not later than July 16, 2007

PART 15 EFFECTIVE DATE

This ordinance becomes effective on July 17, 2007, unless the franchise holder fails to meet all requirements in Part 11 (*Franchise Conditions*) or fails to file its written acceptance of this ordinance as required by Part 12 (*Franchise Acceptance*) If the franchise holder fails to meet the requirements or fails to file the written acceptance, this ordinance is void

PASSED AND APPROVED

_____ May 17 _____, 2007

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Will Wynn
Mayor

APPROVED _____
David Allan Smith
City Attorney

ATTEST _____
Shirley A Gentry
City Clerk